

Hearing Date: June 6, 2018 at 9:30 a.m. (Atlantic Standard Time)
Objection Deadline: April 9, 2018 at 4:00 p.m. (Atlantic Standard Time)

**UNITED STATES DISTRICT COURT
DISTRICT OF PUERTO RICO**

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

THE COMMONWEALTH OF PUERTO RICO, *et*
al.,

Debtors.¹

PROMESA
Title III

No. 17 BK 3283-LTS

Re: ECF No. 1063, 1150, 1715

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND
MANAGEMENT BOARD FOR PUERTO RICO,

as representative of

PUERTO RICO SALES TAX FINANCING
CORPORATION (“COFINA”)

Debtor.

PROMESA
Title III

No. 17 BK 3284-LTS

**SUMMARY OF SECOND INTERIM APPLICATION OF THE LAW OFFICES OF
ANDRES W. LOPEZ, PSC FOR ALLOWANCE OF COMPENSATION FOR SERVICES
RENDERED AND FOR REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE
PUERTO RICO FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY FOR
THE PERIOD FROM OCTOBER 1, 2017 THROUGH DECEMBER 31, 2017**

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Name of Applicant: The Law Offices of Andrés W. López, P.S.C.
("AWLLAW")

Authorized to Provide Professional Services to: Puerto Rico Fiscal Agency and Financial Advisory
Authority ("AAFAF") as the entity authorized to act on
behalf of the Commonwealth of Puerto Rico

Period for which compensation and reimbursement are sought: October 1, 2017 through December 31, 2017

Amount of Compensation sought as actual, reasonable, and necessary: \$945.00

Amount of Expense Reimbursement sought as actual, reasonable, and necessary: \$0.00

This is a(n): ___ monthly X interim ___ final application

- Blended Rate in this application for attorneys: \$350/hr
- Blended Rate in this application for all timekeepers: \$350/hr

Prior Monthly Fee Statements Filed:

| Compensation Period | Fees Requested | Expenses Requested |
|---------------------------------|----------------|--------------------|
| May 9, 2017 - November 30, 2017 | \$7,140.00 | \$0.00 |

- The above payment has been partially made, for 90% of the total amount.

TABLE OF SCHEDULES AND EXHIBITS

Schedule A - List and Summary of Hours by Professional

Schedule B - Summary of Hours and Compensation by Matter Code

Schedule C - Expense Summary

Schedule D - Customary and Comparable Disclosures

Exhibit A - Attorney Certification

Exhibit B - Detailed Time and Expense Records

Schedule A

LIST AND SUMMARY OF HOURS AND COMPENSATION BY PROFESSIONAL

| Name | Title or Position | Hours Billed in this Application | Hourly Rate Billed in this Application | Total Compensation |
|-----------------|--------------------------|---|---|-------------------------------|
| Andrés W. López | Partner | 2.7 | \$350.00 | \$945.00 |
| TOTAL | | 2.7 | \$945.00 | |

Schedule B

SUMMARY OF HOURS AND COMPENSATION BY MATTER CODE

| Task Code | Matter Description | Total Billed Hours | Total Amount |
|-------------------|---|---------------------------|---------------------|
| Litigation | This category includes analysis, preparation, and prosecution of adversary proceedings or other litigation. | 2.7 | \$945.00 |
| TOTAL | | 2.7 | \$945.00 |

Schedule C

EXPENSE SUMMARY

| Category | Amount |
|---|---------------|
| <i>No expenses are requested with this application.</i> | \$0.00 |
| TOTAL | \$0.00 |

Schedule D

CUSTOMARY AND COMPARABLE DISCLOSURES

| Category of Timekeeper | Blended Hourly Rate | |
|------------------------|---------------------|---|
| | Billed for FY2017 | Billed This Case During the Compensation Period |
| Partner | N/A | \$350 |

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**SECOND INTERIM APPLICATION OF THE LAW OFFICES OF ANDRES W. LOPEZ,
P.S.C. FOR ALLOWANCE OF COMPENSATION FOR SERVICES RENDERED AND
FOR REIMBURSEMENT OF EXPENSES AS COUNSEL TO THE PUERTO RICO
FISCAL AGENCY AND FINANCIAL ADVISORY AUTHORITY FOR THE PERIOD
FROM OCTOBER 1, 2017 THROUGH DECEMBER 31, 2017**

¹ The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

The Law Offices of Andrés W. López, P.S.C. (“AWLLAW”), as counsel to the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”) as the entity authorized to act on behalf of the Commonwealth of Puerto Rico, the Puerto Rico Sales Tax Financing Corporation, the Puerto Rico Highways and Transportation Authority, the Employees Retirement System of the Government of the Commonwealth of Puerto Rico, the Puerto Rico Electric Power Authority (collectively, the “Debtors”), and certain other public corporations and instrumentalities of the Government of Puerto Rico, pursuant to the authority granted to it under the *Enabling Act of the Fiscal Agency and Financial Advisory Authority, Act 2-2017*, makes its second interim application (this “Application”) for allowance of compensation, under sections 316 and 317 of PROMESA, of \$945.00 for the period from October 1, 2017 through December 31, 2017 (the “Compensation Period”) in accordance with the *First Amended Order Setting Procedures for Interim Compensation and Reimbursement of Expenses of Professionals*, dated November 8, 2017 [ECF No. 1715] (the “Interim Compensation Order”) and the *Memorandum regarding Fee Review – Timeline and Process*, dated November 10, 2017 (the “Fee Examiner Guidelines”). In support of this Application, AWLLAW respectfully states as follows:

BACKGROUND

1. On May 3, 2017, the Commonwealth of Puerto Rico (the “Commonwealth”), by and through the Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as the Commonwealth’s representative pursuant to section 315(b) of PROMESA, filed a petition with the Court under title III of PROMESA.

2. On May 5, 2017, the Puerto Rico Sales Tax Financing Corporation (“COFINA”), by and through the Oversight Board, as COFINA’s representative pursuant to PROMESA section 315(b), filed a petition with the Court under title III of PROMESA.

3. On May 21, 2017, the Puerto Rico Highways and Transportation Authority (“HTA”), by and through the Oversight Board, as HTA’s representative pursuant to PROMESA section 315(b), filed a petition with the Court under title III of PROMESA.

4. On May 21, 2017, the Employees Retirement System for the Commonwealth of Puerto Rico (“ERS”), by and through the Oversight Board, as ERS’s representative pursuant to PROMESA section 315(b), filed a petition with the Court under title III of PROMESA.

5. On July 3, 2017, the Puerto Rico Electric Power Authority (“PREPA”), by and through the Oversight Board, as PREPA’s representative pursuant to PROMESA section 315(b), filed a petition with the Court under title III of PROMESA.

6. Through Orders of this Court, the Commonwealth, COFINA, HTA, ERS, and PREPA Title III Cases (together, the “Title III Cases”) are jointly administered for procedural purposes only, pursuant to PROMESA section 304(g) and Bankruptcy Rule 1015 [ECF Nos. 242, 537, 1417].

7. This application seeks allowance of compensation and reimbursement of expenses incurred by AWLLAW solely in connection with the COFINA related matters described below.

COMPENSATION REQUESTED BY OMM

8. AAFAF retained AWLLAW pursuant to an engagement letter dated July 31, 2017 (the “Engagement Letter”).

9. Pursuant to the Engagement Letter, payment of all fees and expenses detailed in this Application will be made exclusively by AAFAF.

10. AWLLAW’s hourly rates are set at a level designed to compensate AWLLAW fairly for the work of its attorneys and are disclosed in detail in the Engagement Letter.

11. AWLLAW's rates are appropriate for complex corporate, securities, litigation, and restructuring matters, whether in court or otherwise. The rates and rate structure reflect that such complex matters typically involve great complexity, high stakes, and intense time pressures. Further, there have not been any rate increases during the Compensation Period. AWLLAW submits that the compensation requested is reasonable in light of the nature, extent, and value of such services provided to AAFAF.

12. During the Compensation Period, AWLLAW did not receive any payments or promises of payment from any other source for services rendered or to be rendered in any capacity whatsoever in connection with the matters covered by this Application. There is no agreement or understanding between AWLLAW and any other person for sharing of compensation to be received for services rendered in these cases.

SUMMARY OF SERVICES

13. During the Interim Period, AWLLAW provided important professional services to the Debtors in connection with the Title III Cases. Detailed descriptions of the specific services provided and the time expended performing such services are attached as **Exhibit B**, and a summary of the services AWLLAW provided to the Debtors during the Compensation Period is set forth below.

14. In its fee applications, AWLLAW will use the subject matter categories (each, a "Matter Category") used by its co-counsel law firm, O'Melveny & Myers LLP ("OMM"), for keeping time records of the work performed for the Debtors. The following is a summary, by Matter Category, of the professional services provided by AWLLAW during the Compensation Period.

a) Litigation – 2.7 hours – \$945.00

15. This category includes analysis, preparation, and prosecution of adversary proceedings or other litigation. During the Compensation Period, AWLLAW worked with OMM on the following litigation matters:

- *Commonwealth-COFINA Adversary Proceeding*, Adv. Proc. No. 17-257 (the “Commonwealth-COFINA Dispute”).
- *Bank of New York Mellon v. Puerto Rico Sales Tax Financing Corporation*, Adv. Proc. No. 17-133 (the “BNYM v. COFINA Interpleader”).

ATTORNEY CERTIFICATION

16. In accordance with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4), the undersigned has reviewed the requirements of Puerto Rico Local Bankruptcy Rule 2016-1(a)(4) and certifies to the best of his information, knowledge, and belief that this Application complies with Puerto Rico Local Bankruptcy Rule 2016-1(a)(4). In this regard, and incorporated herein by reference, the *Certification of Andrés W. López* in accordance with the U.S. Trustee Guidelines is attached hereto as **Exhibit A**.

NO PRIOR APPLICATION

17. No prior application for the relief requested by this Application has been made to this or any other court.

WHEREFORE, AWLLAW respectfully requests that the Court enter an order: (a) awarding AWLLAW compensation for professional services provided during the Compensation Period in the amount of \$945.00; and (b) granting such other relief as is appropriate under the circumstances.

Dated: March 19, 2018
San Juan, Puerto Rico

Respectfully submitted,

/s/Andrés W. López
Andrés W. López
USDC No. 215311
THE LAW OFFICES OF
ANDRÉS W. LÓPEZ, P.S.C.
902 Fernández Juncos Ave.
San Juan, PR 00907
Tel: (787) 294-9508
Fax: (787) 294-9519

*Attorneys for the Puerto Rico Fiscal Agency
and Financial Advisory Authority*

Exhibit A

ATTORNEY CERTIFICATION

**UNITED STATES DISTRICT COURT
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No. 17 BK 3284-LTS

**CERTIFICATION OF ANDRES W. LOPEZ PURSUANT TO PUERTO RICO LOCAL
BANKRUPTCY RULE 2016-1(a)(4)**

² The Debtors in these Title III Cases, along with each Debtor’s respective Title III case number and the last four (4) digits of each Debtor’s federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (“COFINA”) (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (“HTA”) (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (“ERS”) (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (“PREPA”) (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations).

Andrés W. López, under penalty of perjury, certifies as follows:

1. I am a partner with the law firm of The Law Offices of Andres W. López, P.S.C. (“AWLLAW”). I make this certification in accordance with Rule 2016-1(a)(4) of the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Puerto Rico (the “Local Rules”) regarding the contents of applications for compensation and expenses.

2. I am familiar with the work performed by AWLLAW for the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), acting for or on behalf of the Debtors.

3. I have read the *Second Interim Application of The Law Offices of Andrés W. López, P.S.C. for Allowance of Compensation for Services Rendered and for Reimbursement of Expenses As Counsel to the Debtors for the Period From October 1, 2017 through December 31, 2017* (the “Application”), and the facts set forth therein are true and correct to the best of my knowledge, information, and belief.

4. To the best of my knowledge, information, and belief, formed after reasonable inquiry, the fees and disbursements sought in the Application are permissible under PROMESA, the Bankruptcy Code, the Federal Rules of Bankruptcy Procedure, the Interim Compensation Order, the *Guidelines for Reviewing Applications for Compensation and Reimbursement of Expenses by Attorneys in Larger Chapter 11 Cases, effective November 1, 2013* (the “Guidelines”), and the Local Rules of Bankruptcy Practice and Procedure of the United States Bankruptcy Court for the District of Puerto Rico.

Dated: March 19, 2018

/s/Andrés W. López
Andrés W. López

Exhibit B

DETAILED TIME AND EXPENSE RECORDS

| | | |
|---------------------|--|---------------|
| 10/5/17 | Review memo from J. Daniels re draft objections to certain motions made by COFINA agent (0.1); review drafts re same (0.7). | 0.80 |
| 10/6/17 | Review memo and attached draft from L. Rapaport re draft response to UCC's motion requesting limited participation; review draft motion re same; memo to L. Rapaport re same. | 0.50 |
| 10/8/17 | Correspond w/R. Holm re informative motion and stipulation filing in BMNY matter. | 0.40 |
| 10/10/17 | Correspond w/R. Holm re informative motion and stipulation filing in BMNY matter, confidentiality order and advice re same (0.3); review confidentiality order (0.5); memo to R. Holm re same (0.2). | 1.00 |
| Total Hours: | | 2.70 |
| Total Fees: | | 945.00 |

For Professional Services rendered:

| | <u>Hours</u> | <u>Amount</u> |
|-----------------------|--------------|---------------|
| Andrés W. López, Esq. | 2.70 | 945.00 |